SENATE EDUCATION

EXHIBIT NO. 4

DATE 4-2-07

GILL NO. AB 4/7

Amendments to House Bill No. 417 3rd Reading Copy

Requested by Senator Sam Kitzenberg

For the Senate Education and Cultural Resources Committee

Prepared by Susan Byorth Fox April 2, 2007 (2:13pm)

1. Title, line 6.

Following: "BELONGING;"

Insert: "APPLYING THE INFLATION FACTOR TO THE QUALITY EDUCATOR
 PAYMENT, THE AT-RISK STUDENT PAYMENT, THE INDIAN EDUCATION
 FOR ALL PAYMENT, AND THE AMERICAN INDIAN ACHIEVEMENT GAP
 PAYMENT;"

2. Title, line 7.

Strike: "AND"

Following: "20-9-311,"
Insert: "AND 20-9-326,"

3. Page 14, line 2.

Insert: "Section 6. Section 20-9-326, MCA, is amended to read:
 "20-9-326. Annual inflation-related adjustments to basic
entitlements and per-ANB entitlements. (1) In preparing and
submitting an agency budget pursuant to 17-7-111 and 17-7-112,
the superintendent of public instruction shall determine the
inflation factor for the basic and per-ANB entitlements in each
fiscal year of the ensuing biennium. The inflation factor is
calculated as follows:

- (a) for the first year of the biennium, divide the consumer price index for July 1 of the prior calendar year by the consumer price index for July 1 of the calendar year 3 years prior to the prior calendar year and raise the resulting ratio to the power of one-third; and
- (b) for the second year of the biennium, divide the consumer price index for July 1 of the current calendar year by the consumer price index for July 1 of the calendar year 3 years prior to the current calendar year and raise the resulting ratio to the power of one-third.
- (2) The present law base for the basic and per-ANB entitlements, calculated under Title 17, chapter 7, part 1, for the basic and pre-ANB entitlements and the payments in 20-9-327 through 20-9-330 must consist of any enrollment increases or decreases plus the inflation factor calculated pursuant to this section, not to exceed 3% in each year, applied to both years of the biennium.
- (3) For the purposes of this section, "consumer price index" means the consumer price index, U.S. city average, all

urban consumers, for all items, using the 1982-84 base of 100, as published by the bureau of labor statistics of the U.S. department of labor."

{Internal References to 20-9-326: None.x}"

Renumber: subsequent section

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